**Stakeholder input for Entergy CBA Study Background**

Stakeholder involvement for the Entergy CBA is critical for the Entergy - Regional State Committee (E-RSC) to understand stakeholder concerns. Although this study is being funded and directed by FERC, the E–RSC is in the position to work with FERC to provide guidance on the assumptions and inputs appropriate for the study. As such, the E-RSC would welcome the input of stakeholders and other affected parties. Review of study assumptions for validity is required in order to meet the needs for policy makers, stakeholders, and in particular the affected parties to understand the results of these studies. FERC is funding and directing the overall Entergy CBA assessment, as well as six sensitivities, as outlined in the FERC’s Request For Proposal (RFP) that is posted at [www.fbo.gov/CBA_contract_award](http://www.fbo.gov/CBA_contract_award).

**NDA/CAs for Data Validation**

Review of modeling assumptions for validity may require execution of Non-Disclosure Agreements (NDAs) and Confidentiality Agreements (CAs) between the selected contractor, FERC, and SPP. SPP member data is protected by the provisions in the SPP Membership Agreement. SPP staff will work with members to address any concerns about leveraging these provisions to facilitate the review and sharing of proprietary/confidential (market sensitive) data for the purposes of this Entergy CBA Study. SPP staff will work with non-SPP members on a one-on-one basis, in concert with FERC and the selected contractor to execute necessary NDAs/CAs in advance of the Stakeholder meeting with the selected vendor March 10th in DFW.

SPP will execute a CA with the Entergy CBA consultant that will prohibit the consultant from disclosing any data received from SPP. SPP would propose to use the attached CA (Exhibit 1) with the Entergy CBA consultant and would welcome member/stakeholder input and suggestions to improve that CA. For members and non-members alike, SPP intends to enter into a specific Entergy CBA CA to protect SPP’s disclosure of any data. The parties to that CA would be the entity, SPP, Entergy CBA consultant, and the E-RSC and FERC, as applicable.

The following timeline is proposed to communicate and execute Entergy CBA NDA/CAs with members and non-members. SPP will host a conference call for SPP members with notification to designated contacts and notification of same to MOPC, ITC SPC and ERSC explorers on Friday Feb 26th and another makeup session on Monday March 1st. Materials for these meetings will be posted in advance of the call. SPP will set up a similar conference call with non-members and notification of same to MOPC, ITC SPC and E-RSC explorers on Friday March 5th with another makeup session on Monday March 8th.

Draft NDA/CAs will be shared with affected parties who have provided a contact on March 4th. The NDA/CAs will need to be executed and returned to EntergyCBA@spp.org by no later than March 12th.
Stakeholder Input in the Entergy CBA study process

As stated above, the E-RSC (members and associated staff/consultants) seeks to include the stakeholders in the process of its review and input to FERC to ensure that this study and its conclusions are valid and supportable. The E-RSC objective is to provide broad stakeholder review, and stakeholder meetings hosted by the E-RSC are the best way to provide stakeholder review and input into the study assumptions, solution techniques, and other factors which will affect study results. It will be incumbent upon the E-RSC to provide timely and concise input to the FERC in the initial setup of the models, as well as the review of preliminary results. The E-RSC working group will host stakeholder meetings, including SPP staff, the selected consultant and FERC to cover the development of CBA modeling methods and assumptions, to indentify required data inputs for the models, and to provide input into any technical modeling issues that may develop as the CBA proceeds. Stakeholders to be invited to these meetings will include, but not necessarily limited to, representatives of the following categories:

- Wholesale network customers of Entergy transmission
- Municipal and Cooperative wholesale customers of Entergy transmission
- Independent Power Producers
- Embedded Control Areas
- Retail load
- Qualified Facilities

The E-RSC will work with FERC representatives to identify a schedule of stakeholder meetings by no later than March 4, 2010 to notify the stakeholders.

Each stakeholder will be expected to have a commitment from his or her sponsoring organization(s) to expend the resources necessary for the member to participate fully in E-RSC meetings. It is assumed that the Entergy jurisdictional entities, as well as affected entities, including merchant generators, will be interested in reviewing the details regarding their specific assets in the FERC funded Entergy CBA and sensitivities. The following timeline is proposed for stakeholder meetings for the study:

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 5 or 8</td>
<td>Prior to March 10 stakeholder meeting, the E-RSC will provide background materials sufficiently in advance of the meeting to permit thorough review in order to facilitate a detailed discussion at the meeting.</td>
</tr>
<tr>
<td>March 10</td>
<td>In coordination with FERC and the vendor, the E-RSC will address and resolve with Entergy and SPP any issues affecting access to confidential or proprietary information.</td>
</tr>
</tbody>
</table>
Once confidentiality issues are resolved, the meetings with stakeholders will be included in the appropriate meetings noted in the Entergy CBA RFP, including but not limited to: (i) the monthly meetings described in Section C-2.3, paragraph 3, of the Request for Proposals, (ii) the meetings and conference calls listed in the table in Section C-2.3, paragraph 3, of the Request for Proposals, and (iii) any additional meetings or conference calls held on an as-needed basis as approved by the E-RSC and the Contracting Officer’s Technical Representative (COTR) for FERC.

Exhibit 1

See attached Entergy CBA CA – SPP 2-25-10.doc
CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement (Agreement) is made and effective as of ______________, 2010, by and between Southwest Power Pool, Inc. (Disclosing Party), the Federal Energy Regulatory Commission (FERC), and Charles River Associates (Contractor) (collectively Recipients).

Disclosing Party plans to provide certain information to Recipients related to the Entergy Cost Benefit Analysis Study that may include material filed with FERC as Critical Energy Infrastructure Information (CEII). Prior to receiving this information, Disclosing Party requires that Recipients execute this Agreement.

For the purposes of this Agreement only, “employees” include third parties retained for professional advice (including, without limitation, attorneys, accountants, consultants, bankers and financial advisors), temporary administrative, clerical or programming support. “Need to know” means that the employee requires the Confidential Material in order to perform his or her responsibilities in connection with the Entergy Cost Benefit Analysis Study.

By executing this Agreement, Recipients are affirming that all information designated by Disclosing Party or its vendor(s) as “confidential”, “proprietary”, or other such designation as indicates protection of the material (Confidential Material), will be maintained in the strictest confidence and will not be disclosed to any person or entity other than their officers, directors and employees, or their affiliates and their respective officers, directors, and employees who have a need to know, who have been advised of the confidentiality of the material, and who have agreed to be bound by the terms of this Agreement.

Recipients shall take necessary precautions to prevent disclosure of the Confidential Material to the public or any third party. Recipients agree that the Confidential Material will not be copied or furnished to other parties. Recipients will safeguard the Confidential Material with the same degree of care to avoid unauthorized disclosure as each Recipient uses to protect its own confidential and private information.

The obligation with respect to handling and using Confidential Material set forth in this Agreement is not applicable to information which:

a. Is in the public domain at the time of its disclosure to Recipients, or thereafter enters the public domain through no breach of this Agreement by Recipients;

b. Is known by Recipients at the time of disclosure by Disclosing Party;

c. Is independently developed by Recipients or by a person or persons who have not had access to the Confidential Material received by Recipients from Disclosing Party;

d. Is available to Recipients or others by inspection or analysis or related products available in the open market place;

e. Is made available by Disclosing Party to anyone without similar restrictions by disclosing of such Confidential Material;

f. Is known to Recipients from a source other than Disclosing Party;

g. Is approved for release by written authorization of a representative of Disclosing Party;

h. Is required by law or regulation to be disclosed, but only to the extent and for the purposes of such required disclosure; or
i. Is disclosed in response to a valid order of a court or other governmental body of the United States or any of its political subdivisions, but only to the extent of and for the purposes of such order; provided, however, that Recipients will first notify Disclosing Party of the order and permit Disclosing Party to seek an appropriate protective order.

Confidential Material will be deemed the property of Disclosing Party or its vendor(s). Recipients will, within ten (10) days of a written request by Disclosing Party or its vendor(s), return all Confidential Material to Disclosing Party or, if so directed, destroy all such Confidential Material. Recipients will also, within ten (10) days of a written request by Disclosing Party or its vendor(s), certify in writing that it has satisfied the obligations of such a request.

Recipients’ duty to protect Disclosing Party’s Confidential Material expires five (5) years after its return or destruction, in the case of Confidential Material embodied in tangible form, or after its receipt or development (whichever is later), in the case of any other Confidential Material.

No other obligation of any kind is assumed by or implied against any party except for those stated herein by the receipt of such Confidential Material, nor shall such receipt constitute a waiver of any rights any party may have with respect to similar material.

No manufacturing or software license under any patents or copyrights of any party is granted by this Agreement or by any disclosure of Confidential Material.

Recipients agree that an impending or existing violation of any provision of this Agreement would cause Disclosing Party or its vendor(s) irreparable injury for which there would be no adequate remedy at law, and that Disclosing Party or its vendor(s) will be entitled to seek immediate injunctive relief prohibiting such violation without the posting of bond or other security, in addition to any other rights and remedies available.

No patent, copyright, trademark or other proprietary right is licensed, granted or otherwise transferred by this Agreement or any disclosure hereunder, except for the right to use such information in accordance with this Agreement. No warranties of any kind are given for the Confidential Material disclosed under this Agreement.

This Agreement may not be assigned by Recipients without the prior written consent of Disclosing Party. Any assignment in violation of this provision will be void. This Agreement will be binding upon the Recipients and Recipients’ respective successors and assigns.

If any provision of this Agreement is held invalid or unenforceable, such provision will be deemed deleted from this Agreement and replaced by a valid and enforceable provision which so far as possible achieves the intent of Disclosing Party and Recipients in agreeing to this original provision. The remaining provisions of this Agreement will continue in full force and affect.

Recipients warrant that it has the authority to enter into this Agreement and to lawfully receive the disclosures contemplated hereunder, and that it has caused this Agreement to be executed by a duly authorized officer effective as of the date set forth above.

[Signature Page Follows]
ACKNOWLEDGED AND AGREED:

FEDERAL ENERGY REGULATORY COMMISSION

By: __________________________
Name: _______________________
Title: ________________________

CHARLES RIVER ASSOCIATES

By: __________________________
Name: _______________________
Title: ________________________